

STATE OF SOUTH CAROLINA

Application of Custom Tel, LLC
for a Certificate of Public Convenience and
Necessity to Provide Local Exchange
Telecommunications Services and
For Flexible Regulation

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

COVER SHEET

DOCKET

NUMBER: 2013 - 25

SC PUBLIC SERVICE
COMMISSION

2013 FEB 20 AM 9:49

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(Please type or print)

Submitted by: Janet Brown

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DOCKETING INFORMATION (Check all that apply)

- ☐ Emergency Relief demanded in petition ☐ Request for item to be placed on Commission's Agenda expeditiously
☐ Other:

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)		
<input type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input type="checkbox"/> Letter	<input type="checkbox"/> Request
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certification
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement
<input type="checkbox"/> Electric/Water/Telecom.	<input type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter
<input type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition
<input type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input checked="" type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input type="checkbox"/> Other:
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest	
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit	
	<input type="checkbox"/> Late-Filed Exhibit	<input type="checkbox"/> Report	

RETURN DATE: OK
SERVICE: OK

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February 19, 2013

VIA OVERNIGHT DELIVERY

Ms. Jocelyn G. Boyd
Chief Clerk/Administrator of the Commission
South Carolina Public Service Commission
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210
(803) 896-5100

Re: Custom Tel, LLC
Docket No. 2013-25-C

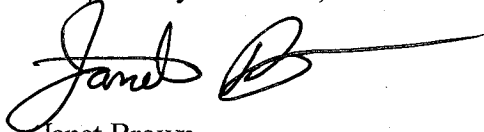
Dear Ms. Boyd:

Enclosed please find for filing an original and twenty-five (25) copies of the company's pre-filed testimony. The company does not intend to engage in telemarketing in the State of South Carolina.

I have enclosed an extra copy of this letter to be date-stamped and returned to me in the self-addressed, postage prepaid envelope I have provided.

If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me. Thank you.

Respectfully submitted,



Janet Brown
Legal Assistant to Lance J.M. Steinhart
Attorney for Custom Tel, LLC

Enclosures

cc: Dan Coloney
Courtney Dare Edwards – ORS via e-mail: cedwards@regstaff.sc.gov
Scott Elliott via e-mail: selliot@elliottlaw.us

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**BEFORE THE
PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2013-25-C**

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2013 FEB 20 AM 9:19
SC PUBLIC SERVICE
COMMISSION

In the Matter of)	
)	
The Application of)	
Custom Tel, Inc.)	
)	DIRECT TESTIMONY
for a Certificate of Public Convenience)	OF DAN COLONEY
and Necessity to Provide Local Exchange)	
Telecommunications Services and for)	
Flexible Regulation)	

I. Introduction

- | | | | |
|---|----|----|--|
| 1 | 1. | Q. | Please state your name and business address. |
| 2 | | A. | My name is Dan Coloney. My business address is 698.5 South Ogden St., Buffalo, |
| 3 | | | New York, 14206. |
| 4 | 2. | Q. | By whom are you employed and in what capacity? |
| 5 | | A. | I am the President of Custom Tel, LLC ("Custom Tel"). |
| 6 | 3. | Q. | Please give a brief description of your background and experience in business |
| 7 | | | and telecommunications. |
| 8 | | A. | See Exhibit D to our application. |

1 4. **Q. What is the purpose of your testimony?**

2 A. The purpose of my testimony is to describe the nature of Custom Tel's proposed
3 service offering within the State of South Carolina, and to demonstrate its financial,
4 managerial, and technical ability to provide the telecommunications services for which
5 authority is sought herein.

6 5. **Q. Do you wish to incorporate by reference any documents into your testimony?**

7 A. Yes. I wish to incorporate by reference the underlying Application filed in this
8 proceeding and its associated attachments.

9 **II. The Business of Custom Tel**

10 6. **Q. Has Custom Tel registered to do business in South Carolina?**

11 A. Yes. Custom Tel is a New York Limited Liability Company that has received
12 authorization to transact business within the State of South Carolina. A copy of
13 Custom Tel's Articles of Organization is attached to the Application as Exhibit A and a
14 copy of the document of authorization from the State of South Carolina is attached to
15 that Application as Exhibit B.

16 Custom Tel is also authorized in South Carolina to provide resold long distance (see
17 Docket No. 2010-276-C, Dated February 15, 2011).

1 **7. Q. Please describe the services Custom Tel intends to provide within the State of**
2 **South Carolina.**

3 Custom Tel may offer a full array of services to business customers, including the following:

4
5 Local Exchange:

- 6 A. Local Exchange Services that will enable customers to originate and terminate local
7 calls in the local calling area served by other LECs, including local dial tone and custom
8 calling features.
9 B. Switched local exchange services, including basic service, trunks, carrier access, and
10 any other switched local services that currently exist or will exist in the future.
11 C. Non-switched local services (e.g., private line) that currently exist or will exist in the
12 future.
13 D. Centrex and/or Centrex-like services that currently exist or will exist in the future.
14 E. Digital subscriber line, ISDN, and other high capacity services.

15
16 Custom Tel will initially resell local services, and provide local service through the use of use
17 unbundled network elements utilizing the facilities of the existing LECs or underlying carriers that
18 presently serve South Carolina.

19
20 Custom Tel seeks authority to resell and provide through its own facilities local exchange
21 services throughout the State primarily in the areas served by AT&T South Carolina. Applicant's
22 local calling areas initially will coincide with the incumbent local exchange carrier's local calling
23 areas. Custom Tel has no plans to install facilities in the State of South Carolina. If Custom Tel
24 installs facilities in South Carolina, it will probably provide voice and high speed data services
25 through a combination of the latest technology switching and transport media. The switching
26 system will consist of a central processing and control complex capable of interconnection as a
27 peer to the incumbent as well as competitive local exchange companies. The hub portion of the
28 switch will interconnect with the public switched network on Signaling System 7 ("SS7") or

1 Feature Group D ("FGD") facilities. The system's remote module capability will allow properties
2 to be served in a manner that provides the exchange of appropriate signaling, control and
3 calling/caller information to the network in accordance with network standards and
4 specifications. Additionally, these services will be delivered over a combination of delivery
5 mechanisms through incumbent local carriers' unbundled loop network, both copper and fiber
6 and transport networks, as well as via Custom Tel constructed facilities. Its services will be
7 available on a full-time basis, twenty-four hours a day, seven days a week, to customers within the
8 geographic boundaries of the State of South Carolina. Customers will be billed by Custom Tel.
9 Custom Tel is committed to providing access to a local operator, directory assistance, 911
10 services, and dual relay services. Custom Tel is also willing to accept its obligations to collect
11 911 and dual relay service surcharges from its local exchange customers, and to remit those funds
12 to the appropriate authorities.

1 8. Q. What carrier will Custom Tel utilize as its underlying carrier for services in
2 South Carolina?

3 A. Custom Tel intends to offer service offer local service using facilities of the incumbent
4 local exchange telephone companies ("LECs") certificated to provide local exchange
5 service in the State of South Carolina. The company intends to initially negotiate with
6 AT&T South Carolina.

7 9. Q. Does Custom Tel have authorization to provide intrastate telecommunications
8 services in any other state?

9 A. Yes. Custom Tel is currently authorized to provide local exchange and
10 interexchange services in New York, New Jersey, Florida (IXC only), Ohio,
11 Pennsylvania and South Carolina (IXC only). Applicant is in the process of
12 applying for authorization to provide competitive local exchange as a Florida
13 (CLEC). Applicant has not been denied authority for any of the services for which
14 it seeks authority in this Application.

15 10. Q. Has Custom Tel ever had an application for a certificate of public convenience
16 and necessity denied?

17 A. No.

18 11. Q. Does Custom Tel intend to file a tariff with the Commission?

19 A. Yes. A local exchange price list is attached as Exhibit E to its Application in this
20 proceeding that it will modify as necessary in order to meet the Commission's
21 requirements. We believe Custom Tel's Tariff and price list will comport with all
22 Orders, Rules, and Regulations of the Commission.

12. Q. Will Custom Tel comply with the Commission's orders regarding the provision of local services?

A. Yes. Custom Tel will at all times provide and market services in accordance with current Commission policies. In particular, Custom Tel is familiar with Commission Order No. 93-462 regarding resale of intraLATA telecommunications services and will attempt to comply with the terms of that order in every respect possible. In addition, Custom Tel at all times will provide interstate services in compliance with all FCC rules and regulations. Custom Tel will at all times provide and market services in accordance with current Commission policies and will attempt to comply with the terms of that order in every respect possible.

1 13. **Q. Has Custom Tel provided any intrastate telecommunications services within the**
2 **State of South Carolina?**

3 A. Yes, pursuant to Docket No. 2010-276-C referenced above.

4 14. **Q. What rates will Custom Tel charge upon receipt of certification?**

5 A. Custom Tel will charge the tariffed rates approved by the Commission.

6 15. **Q. How will Custom Tel market services in South Carolina?**

7 A. Custom Tel intends to market its services via direct sales by Custom Tel's employees.

8 **III. Managerial, Technical and Financial Qualifications**

9 16. **Q. Does Custom Tel have sufficient managerial, technical, and financial resources**
10 **and ability to provide the telecommunications services proposed in its**
11 **Application?**

12 A. Yes. Custom Tel has sufficient technical, financial, and managerial resources and ability
13 to provide the telecommunications services for which authority is sought herein.
14 Custom Tel's personnel represent a broad spectrum of business and technical
15 disciplines, possessing many years of individual and aggregate telecommunications
16 experience.

17 The qualifications and experience of Custom Tel's key management team are discussed
18 on Exhibit D which is attached to our Application in support of Applicant's managerial
19 and technical ability to provide the services for which authority is sought herein.
20

17. **Q. How does Custom Tel handle customer service requests?**

A. Custom Tel's customer service representatives are available to assist its customers and will promptly respond to all customer inquiries. Customers may call (800) 960-2159 or a local number. The applicable toll free or local numbers will be printed on customers' monthly billing statements. Alternately, customers wishing to communicate with a Custom Tel customer service representative in writing may send written correspondence to Custom Tel at:

Custom Tel, LLC
ATTN: Customer Service
698.5 South Ogden St.
Buffalo, NY 14206

Custom Tel's customer service representatives are prepared to respond to a broad range of service matters, including inquiries regarding: (1) the types of services offered by Custom Tel and the rates associated with such services; (2) monthly billing statements; (3) problems or concerns pertaining to a customer's current service; and (4) general service matters.

18. **Q. Please describe the financial condition of Custom Tel.**

A. In support of Custom Tel's financial ability to provide the services sought herein, copies of Custom Tel's financial statements for periods ended December 31, 2011 and December 31, 2010 respectively, were submitted as Exhibit C to its Application.

IV. Public Interest

19. **Q. How will residents of South Carolina benefit from Custom Tel's services and presence in South Carolina?**

The Commission's grant of this certificate is in the public interest because consumers of telecommunications services within Custom Tel's service territory will receive increased choice, improved quality of service, and heightened opportunities to obtain improved technology in businesses. Market incentives for new and old telecommunications providers in South Carolina will be improved greatly through an increase in the diversity of suppliers and competition within the local exchange telecommunications market. Consistent with the Commission's intent to aid in the development of a competitive telecommunications environment in South Carolina, the granting of a certificate of authority to provide local exchange service will offer increased efficiency to the State's telecommunications infrastructure through greater reliability of services and an increase in competitive choices.

20. **Q. Has the Company ever been the subject of an investigation by any state Regulatory body or by the FCC?**

A. No.

21. **Q. Will the Company agree to abide by and comply with the Commission's Rules and Regulations and Commission Orders in its operations in South Carolina?**

A. Yes.

22. **Q. Does this conclude your testimony?**

A. Yes. I would like to thank the Commission for this opportunity to provide information relevant to Custom Tel LLC's Application and am ready to provide any additional information that the Commission may need in making its decision.